

INSTRUCTIONS FOR REPLACEMENT TAX RETURN FORM A

1. Fill out the entity name, address, contact person and phone number. The contact person should be an individual that can answer any questions regarding this report. If any step in this report does not apply to your company a -0- (zero) should be entered on that line. All reports must be returned to the Department of Revenue at the address listed at the bottom of the Attestation page.

Please review the exemptions in the law and exclude those items which were not taxable. **See next page for these exemptions.**

2. **Step 1:** Report the total taxable kilowatt hours of electricity delivered to consumers within each competitive service area. If you have delivered to more than two competitive service areas, attach additional sheets utilizing the same format for calculating the delivery tax. The kWh delivered to consumers should include those delivered and consumed at utility properties. This is pursuant to the definition of delivery in 437A.3(4). The 2015 delivery tax rates for each competitive service area are published in the December 9, 2015 edition of the Iowa Administrative Bulletin. The bulletin can be accessed online at the following link:
<https://www.legis.iowa.gov/law/administrativeRules/bulletinSupplementListings>
3. **Step 2:** Report the total taxable kilowatt hours of electricity consumed by a taxpayer during 2015 within each competitive service area. Step 2 should be filled out by those taxpayers who have by-passed the local distribution utility in receiving a delivery of electricity.
4. **Step 3:** Report the taxable kilowatt hours of electricity generated in Iowa during 2015. Multiply this number by \$.0006 and enter the result.
5. **Step 3A:** Report separately, the total taxable kilowatt hours of electricity generated in 2015 for each *new electric power generating plant built or sold after January 1, 2003*. Multiply this number by \$.0006 and enter the result.
6. **Step 4:** Report the taxable amount only for pole miles of electric transmission lines owned or leased as of December 31, 2015. On Supplemental Schedule 1, report miles owned, by excluding those lines that are jointly owned or leased to others. Miles leased would be those lines used by the lessee. Percentage ownership would be calculated as shown in the example at the bottom of Schedule 1. Miles with percentage ownership would not include any miles leased to others. The calculations on Schedule 1 should be transferred to step 4 for completion.
7. **Step 5:** This step calculates the replacement tax liability from the data reported in steps 1 through 4. Check to ensure that the total amount calculated is correct.
8. **Step 6:** This section is for MECA's and municipal utilities who are members of a MECA.
9. The Attestation should be completed and signed by an authorized representative of the entity that can take responsibility for the accuracy of this report. The authorized representative may be an officer or employee of the entity making this report.
10. If you complete the report using the electronic version, please note there are three tabs at the bottom of the screen titled Form A, Supplemental 1, and Attestation. You will need to click on each tab to complete that portion of the report. The instructions for submitting the form are on the Attestation page. If you have

questions, please contact the Property Tax Section at IDR-PropTax@iowa.gov or (515) 281-4040.

EXEMPTION INSTRUCTIONS - FORM A

Exemptions for Step 1

1. Delivery of electricity for consumption outside of Iowa.
2. Delivery of electricity to a non-consumer. Example, delivery of electricity to another utility which will deliver electricity to a consumer on their lines.
3. Delivery of electricity to a city from such city's municipal utility, provided such electricity is used by the city for the public purposes of the city. See Iowa Code 437A.4(6).

Exemptions for Step 3 - Iowa Code 437A.6(1)

1. Facilities owned by or leased to a municipal utility when devoted to public use and not held for pecuniary profit, except facilities of a municipally owned electric utility held under joint ownership or lease and facilities of an electric power facility financed under chapter 28F.
2. Wind energy conversion property subject to section 427B.26.
3. Methane gas conversion property subject to section 427.1, subsection 29.

Exemptions for Step 4 - Iowa Code 437A.7(2)

1. Transmission lines owned by or leased to a municipal utility when devoted to public use and not for pecuniary profit, except transmission lines of a municipally owned electric utility held under joint ownership and transmission lines of an electric power facility financed under chapter 28F.
2. Transmission lines owned by or leased to a lessor when the transmission lines are subject to the replacement transmission tax payable by the lessee or sub-lessee.
3. Any electric cooperative which owns, leases, or owns and leases in total more than fifty pole miles and less than seven hundred fifty pole miles of transmission lines in this state. Chapter 437 dealing with central assessments shall continue to apply to such electric cooperatives.